On the basis of the foregoing data, we may arrive at the following conclusions with regard to the development tendency of separate special branches: 433

1. The milling industry showed in 1931, in comparison with 1927, a decline in the number of concerns and their staffs, but in recent years a recovery and an advance ensued. This phenomenon related, however, only to the medium and wholesale concerns appearing in our table, which employ at least five persons. Precisely in the milling industry the small concerns are in an overwhelming majority, and these show quite another development tendency. On the basis of the statistics of the trade licences, we may conclude that the total number of all milling concerns, which in 1928 amounted to 1 334, by 1932 had risen to 1 472, but since then until 1937 a reduction of 1 402 has ensued. It is obvious from the foregoing that the reduction in the number of larger milling undertakings until 1931 was due to the process of decentralization, while, on the other hand, in recent years the concentration tendency, combined with more intensive mechanization, has been in the ascendant. 256 433

2. The creation of the sugar industry followed in 1931, when with the participation of the Government the joint-stock company „Lietuvos Cukrus" was established. The first sugar factory was then put in operation at Marijampolė, and in 1935 the opening of a second factory at Pavenčiai ensued. 257 433 [473]

3. The sugar wares and chocolate industry since 1931 has shown a decline in the number of concerns and of employed workers; but the undermentioned production figures, which reveal constant growth, prove that this phenomenon is solely attributable to centralization and mechanization.

4. The number of concerns of the meat industry is stationary. Its growth is, however, illustrated by the quintupling of the number of employed workers which has taken place since 1927. The joint-stock company „Maistas", to whose capital the Government contributes 7 000 000 litas, assumes a monopoly position. It was founded in 1923, but its activity on a wider scale began in 1930. „Maistas" owns to-day five factories, i. e. at Kaunas, Memel, Šiauliai, Panevėžys, and Tauragė. In each factory the manufacture of bacon takes first place, but sausage wares and ham are also prepared. The concerns at Kaunas and Panevėžys produce also canned goods, that at Kaunas also insu- 253 473 433

253 433 471 lin. Preserving cans are repaired in its own workshops. Moreover, at Kaunas a modern abattoir of „Maistas" has been built for municipal requirements. (The rôle of „Maistas" in our trade is described in the section „Share-capital in Lithuanian Trade").

234 433 5. The dairy-farms show an exemplary growth tempo. The development of Lithuanian butter production is due to the Central Union of Dairy-farming Cooperatives „Pienocentras", concerning whose activity a more detailed report is given in the subsequent section „The Rôle of the Cooperative Societies". The figures contained in the foregoing tables relate moreover only to the larger concerns; the total number of all dairy-farms of the dairy cooperatives included in the production statistics amounted in 1937 to 188.

274 433 6. The number of workers employed in the spirit distilleries remained stationary during the period 1927—1937, whereas the number of concerns rose from 26 to 38.

[WK4] 7. The development of beer breweries showed no material changes from 1927 to 1931. The number of employed workers since the curtailment between 1932 and 1936 for the first time in 1937 exceeded the figures for 1927.

277 433 8. The number of tobacco and cigarette factories and their staffs has decreased since 1931, which was occasioned chiefly by the decline of consumption during the time of crisis.

From the standpoint of the number of undertakings, the mills and dairy-farms constitute the two strongest groups of the foodstuffs industry. According to the number of employed workers, the meat and canned goods industry and the sugar industry head the list, although it must be borne in mind that as regards the last-named, the production campaign lasts only a few months.

b. The Development of Production

433 The total value of the gross production of the foodstuffs and luxury goods industry in 1937 amounted to 178 300 000 litas and the net production to 50 400 000.

These figures are distributed among separate branches as follows (in 1 000 litas):

433 chapter. In the following table are given the data on the production quantities of the most important branches; they fully confirm the accuracy of the development tendency expressed by the index figures.

Production Figures in Tons

	1931	1932	1933	1934	1935	1936	1937
Wheat and Rye Flour	57 465	54 963	•	48 294	50 576	53 858	48 967
Sugar	6 613	16 191	8 166	15 263	22 136	27 164	28 673
Sugar Wares	•	•	•	1 387	1 484	1 626	1 934
Bacon	19 894	26 869	21 376*)	12 675*)	8 809	10 539	10 153
Other Meat Products	9 770*)	7 660	7 642*)	9 000**)	16 485	16 933	12 858
Butter***)	8 141	10 289	9 854	10 728	13 190	15 835	16 994
Spirits (1000 litres)	3 315	3 016	3 070	2 717	2 723	2 942	5 502
Beer (1000 litres)	11 264	7 194	7 292	6 274	5 284	7 290	14 165
Tobacco (consumed raw tobacco)	983	867	763	697	665	768	769

256 433 The fluctuations in flour production are naturally connected with the condition of the harvest. The falling-off in production in 1937 was caused by the serious deterioration of the harvest in 1936 in comparison with both preceding years.

257 433 The youthful sugar industry which, as mentioned above, was first established in the autumn of 1931, had developed its activity to the full only by 1932, and thereby, concurrently with bacon production, brought about the rise of the index, notwithstanding the general crisis, by 16.5 points. After the fluctuations in 1933 and 1934, and in connexion with the opening of a second factory in 1935, our sugar production rose greatly in 1935 and 1936 and to-day, as is clear from the definite curtailment of imports shown in the chapter on foreign trade, fully covers the demand of the domestic market. This also explains the slackening of the further growth in 1937.

439 253 234 The fluctuations and the recession of meat production which together with butter production belongs generally to the strongest export branches of Lithuanian economy, while the remaining branches mentioned above serve only the home market, are due to the import quotas and the preference policy of Great Britain, the most important export market for our meat products, vis-à-vis her Dominions. More detailed information

*) Export quantity. In the case of bacon on an average 95% of the production is for export.

**) Estimated.

***) Production of the dairy cooperative societies.